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C O N F I D E N T I A L SECTION 01 OF 03 NICOSIA 000804

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DEPARTMENT FOR EUR/SE, EUR/ERA, IO/UNP

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TAGS: [PREL](#) [PGOV](#) [UNFICYP](#) [CY](#) [TU](#)

SUBJECT: DEMANDS OF MFA POSITION TO HARDEN SOFT-LINER?

REF: A. NICOSIA - EUR/SE EMAIL 09/22/07 AND OTHERS

[1](#)B. UNGA/EUR - EMBASSY EMAIL (09/26/07)

Classified By: Ambassador Ronald L. Schlicher, Reasons 1.4 (b), (d)

[1](#)1. (C) SUMMARY: Foreign Ministry dissatisfaction over our concept of "consultations" -- translated, the Embassy's continuing attempts to brief and respect the sensitivities of the MFA on our assistance to Turkish Cypriots (T/Cs) in northern Cyprus -- dominated the DCM's September 25 courtesy call on new Cyprus Question Division Chief Minas Hadjimichael. Well-briefed despite just two weeks on the job, Hadjimichael sought a bilateral Memorandum of Understanding (MOU), similar to that covering UNDP-administered USG assistance, for the T/C aid package as well, a definite non-starter for us (Ref A). U.S.-Cyprus relations had improved recently, he ventured, but might deepen even further if both sides could identify "commonality of interests;" as the RoC's ambassador to France, he had orchestrated a similar campaign and thought certain tactics might apply to our bilateral dealings as well. Turning to the Cyprus Problem, Hadjimichael voiced the RoC's fear that the then-imminent "gathering of like-minded nations" on the UNGA margins seemed almost conspiratorial, since it excluded Cyprus and UNSC allies Russia and France (Ref B). The MFA diplomat, despite evincing great charm throughout the call, nonetheless appeared to have adopted all his predecessors' CyProb-related hard lines and undoubtedly will prove a challenging interlocutor. Biographical information begins in Paragraph 10. END SUMMARY.

One of Their Finest for a High-Profile Slot

[1](#)2. (SBU) The Cyprus Problem Division Director ranks Number 3 on the MFA's organizational chart, below only the Foreign Minister and Permanent Secretary and parallel to the Political Director (P-equivalent). Vacant since July, the position has proven a springboard to greater things: President Tassos Papadopoulos promoted former Director Erato Marcoullis to run the MFA in July, and current RoC chief negotiator and Presidential Diplomatic Coordinator Tasos Tzionis held the job during the prior presidential administration. Minas Hadjimichael's nomination therefore portends a promising future for the experienced but youthful-looking diplomat, lately the RoC's ambassador in Paris. Accompanied by PolChief, the DCM September 25 paid a courtesy call on the still-unpacking and reading-in Hadjimichael.

And Not Averse to Tackling the Tough Ones

13. (C) After exchanging pleasantries and praising the sound relationship the Embassy and Ministry currently enjoyed, Hadjimichael dove directly into substance and proved himself both well-connected and a quick read. A recent Embassy headache and bilateral dispute -- a hold on USG assistance to the T/C community by U.S. Senator Robert Menendez (D-NJ) -- looked to be resolved, he understood, the result of a recent meeting between the Senator and EUR Assistant Secretary Daniel Fried.

14. (C) Not exactly, replied the DCM. Menendez's hold remained in effect for over \$1 million in FY06 supplemental monies destined for the Embassy's Cyprus Program for Economic Growth (CyPEG), an initiative aimed at improving the Turkish Cypriots' economic lot in order to facilitate a smoother reunification of the island. Despite its T/C focus, however, CyPEG greatly benefited the Greek Cypriot (G/C) community, she continued. Cultural preservation efforts in the T/C-administered areas targeted prominent Orthodox sites like St. Mamas Church, for example, while CyPEG efforts to assist Turkish Cypriot farmers aimed to protect agricultural land, some G/C-owned, from commercial development.

15. (C) With CyPEG and the bi-communal aid programs, the Embassy hoped to break down barriers to the island's eventual reunification, the DCM continued. Yet our efforts were hampered by continued Republic of Cyprus attempts to exert control over American assistance. The MOU the UN Development Program had signed with the Foreign Ministry, governing implementation of our Action for Cooperation and Trust (ACT) initiative, had proven especially problematic for the Embassy. As proof, the DCM cited the RoC's refusal to engage Turkish Cypriot NGOs solely because "North" or "Northern Cyprus" figured in their formal names. Realizing the

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imperative of close coordination with the Ministry, however, the Embassy regularly had offered consultations and briefings to Marcoullis in her former guise as Cyprus Problem director. She had turned down most.

16. (C) Perhaps Marcoullis believed the Embassy presentations did not constitute consultations on program/project direction, but faits accomplis, Hadjimichael surmised. Would the Embassy have honored her objections? If not, the then-Director had reason to boycott future sessions as unproductive, he asserted. And contrary to our perception, the ACT MOU was functioning satisfactorily, according to his MFA colleagues. In response, the DCM offered to bring the USAID director for a follow-up "briefing" with Hadjimichael if that would help ease his concerns about consultations.

Bettering a Good Relation

17. (C) Sensing the conversation could turn tense, the butter-smooth Hadjimichael returned to the overall improving U.S.-Cyprus relationship. He saw room for further growth, however, and emphasized his desire to find "commonality of interests;" his tenure in France could hold the key. Upon arrival in Paris, Hadjimichael claimed, the French considered Cyprus little more than a Mediterranean rock whose political impasse would bring the European Union only problems. Partly the result of his "common interests" campaign, however, Paris had learned that France and Cyprus often saw eye-to-eye, and had come to view Cyprus for the assistance it could deliver: in many EU fora, its vote counted the same as France or Germany's. While the RoC could not engage in similar back-scratching with the United States, Hadjimichael still believed the nations enjoyed numerous shared values and aims, and thought tactics he had implemented with Paris might work with Washington as well.

¶8. (C) Hadjimichael next raised the ongoing Cyprus Problem negotiations. The government saw little positive emerging from Sweden's September 26 effort, on the margins of the UN General Assembly, to gather "like-minded nations" for a Cyprus brainstorming session. "Why exclude us?" he questioned "and where are France and Russia?" The effort seemed a personal crusade of Swedish Foreign Minister Carl Bildt, a "friend of Turkey" and strident supporter of Ankara's EU accession. Swathed in secrecy and anything but transparent, this latest "Scandinavian Plan" troubled the government and President Papadopoulos in particular, he concluded. In response, the DCM clarified the U.S. would attend in listening mode and had no new initiative to introduce in that forum.

Comment: A Product of the System?

¶9. (C) Long-serving Mission staff remember Hadjimichael as a close contact during his tenure as FM Kasoulides's chef du cabinet. A regular attendee at Embassy dinners and receptions hosted by then-U.S. Ambassador Bandler (1999-2002), Hadjimichael espoused the progressive, pro-solution opinions then commonplace. His comments and tone September 26 showed a man in the midst of a ideological U-turn, however. Was he cloaking his natural hard-line tendencies a half-decade ago to serve his Minister and advance his career? Or is he now grudgingly adopting the Turk-baiting tactics of the current administration in order to do the same? We might ask the same questions of FM Marcoullis, frankly, whose son reportedly constructed and operated a pro-Annan Plan website during his mother's period as ambassador in Washington. Regardless of which direction Hadjimichael truly tilts, the position of Cyprus Problem Director demands its incumbent defend Republic of Cyprus (read, Greek Cypriot) interests at all costs. We therefore expect to enjoy plenty of time on Hadjimichael's carpet, justifying U.S. policies and programs. End Comment.

Biographical Snapshot

¶10. (U) Minas Hadjimichael, the MFA's Cyprus Problem Division director, was born in Famagusta in 1956. After studying law at the University of Athens, Hadjimichael continued his

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postgraduate studies in the United States, receiving an M.A. in Science and International Relations from Georgia Southern University. He entered the Republic of Cyprus Foreign Service in 1984, commencing work in the Cyprus Problem Division. Rising quickly through the ranks, he became Minister-Counselor and Deputy Chief of Mission at the RoC embassy in Athens in 1995. In 1998, he returned home to serve as director of the Foreign Minister's office under then-FM (and current presidential candidate) Ioannis Kasoulides. He subsequently participated in the inter-communal, UN-brokered Cyprus Problem negotiations. By 2002 he had earned an ambassadorial rank, and later that year won a dream posting as Cypriot ambassador to France.

¶11. (C) In addition to his U.S. graduate school education, Hadjimichael in 1999 participated in a USIA-sponsored visitor's program titled "The U.S. Federal System." During his tenure as Kasoulides's office director, he proved a regular and close Embassy contact. His posting to Paris may not have been simply reward for great performance as chef du cabinet. Scuttlebutt here says the (still) married Hadjimichael was caught en flagrante with his Minister's secretary, hastening his transfer to the overseas position.

